

GAAS:769:07

For Immediate Release:

Wednesday, October 3, 2007

Contact: Aaron McLearn

Sabrina Demayo Lockhart

916-445-4571

Gov. Schwarzenegger Issues Statement Regarding Presidential Veto of Children's Health Insurance Program

Hundreds of Thousands of California Children Could Lose Coverage

According to the California HealthCare Foundation, the President's proposal to reduce the State Children's Health Insurance Program (SCHIP) cuts up to \$739 million over the next five years in California alone - eliminating coverage for nearly 775,000 California children.

Following the President's veto of legislation that would have funded a 5-year reauthorization of SCHIP, Governor Arnold Schwarzenegger issued the following statement:

"I am deeply disappointed because without additional funding, hundreds of thousands of California children could lose health care coverage, which will only make our broken health care system worse. This legislation, passed by a strong bipartisan majority of Congress, would have ensured that children who deserve it most have a healthy start in life," said Gov. Arnold Schwarzenegger.

The legislation vetoed by President Bush today would have provided:

- \$35 billion in new funding over the next 5 years for a total of \$60 billion, funded mainly by a \$0.61/pack federal cigarette tax.
- State allocations based on historical spending patterns. California's allotment would have increased from about \$800 million in 2007 to nearly \$1.4 billion in 2008 and grown each year by medical inflation and population.
- Coverage of children up to 300% of federal poverty level at state discretion, achieving one of the Governor's health care reform goals.

California receives more SCHIP funding than any other state in the nation. Governor Arnold Schwarzenegger and New York Governor Eliot Spitzer [led](#) a bipartisan 30 state push to protect federal funding for children's health insurance.

###